



Brownfields Economic Redevelopment Initiative

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

Many areas across the country that were once used for industrial and commercial purposes have been abandoned—some are contaminated. Because lenders, investors, and developers fear that involvement with these sites may make them liable for cleaning up contamination they did not create, they are more attracted to developing sites in pristine areas, called “greenfields.” The result can be blighted areas rife with abandoned industrial facilities that create safety and health risks for residents, drive up unemployment, and foster a sense of hopelessness. These areas are called “brownfields.”

OBJECTIVE

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, cities, tribes, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields.

ACTIVITIES

EPA's Brownfields Initiative identifies and addresses barriers to cleanup and redevelopment. It recommends swift, aggressive measures for change within the context of the existing Superfund law. Four broad activities serve as the cornerstones of EPA's Brownfields Initiative:

Brownfields Assessment Demonstration Pilots—To date, EPA has awarded more than 300 Brownfields Assessment Demonstration Pilots that are funded through cooperative agreements of up to \$200,000 each for a two-year period. The pilots are exploring innovative approaches to solving brownfields problems and providing a growing knowledge base to help direct the Brownfields Initiative. These pilots have been testing redevelopment models, directing efforts at removing regulatory barriers, and bringing together community groups, investors, lenders, developers, and other affected parties to address brownfields issues. EPA expects to award up to 50 new Assessment Pilots and provide supplemental assistance to approximately 50 existing pilots during fiscal year 2000.

Clarification of Liability Issues—EPA has developed a number of tools to address the liability concerns of lending institutions, municipalities, property owners, developers, prospective purchasers, and others. For example, EPA may enter into agreements with prospective purchasers of property, providing a covenant not to sue for existing contamination. EPA also issues comfort letters to parties clarifying, among other things, the Agency's involvement at a particular site. In addition, EPA has archived more than 31,000 sites from the Superfund site inventory (CERCLIS), indicating that there is no further federal Superfund interest, thereby removing the stigma of potential contamination and liability associated with these sites.

Partnerships and Outreach—EPA is building partnerships with federal agencies, states, tribes, cities, and other organizations to ensure a coordinated approach to addressing brownfields.

Brownfields National Partnership—The Clinton Administration launched a landmark effort to improve communities by building partnerships between public and private organizations to link environmental protection with economic development and community revitalization. In 1997, the partnership announced a two-year Action Agenda, including more than 100 commitments representing more than a \$300 million investment in brownfields. Participating federal agencies include the following:

Executive Office of the President
Federal Deposit Insurance Corporation
Federal Housing Finance Board
General Services Administration
Office of Management and Budget
Small Business Administration
U.S. Department of Agriculture
U.S. Department of Commerce
U.S. Department of Defense
U.S. Department of Education
U.S. Department of Energy
U.S. Department of Health and Human Services
U.S. Department of Housing and Urban Development
U.S. Department of Interior
U.S. Department of Justice
U.S. Department of Labor
U.S. Department of Transportation

U.S. Department of Treasury
U.S. Department of Veterans Affairs
U.S. Environmental Protection Agency

In March 1998, the National Partnership designated 16 Brownfields Showcase Communities that will serve as models to demonstrate the benefits of collaborative activity on brownfields. The communities are distributed across the country and vary by size, resources, and community character. The Showcase Communities will provide a pattern for future interagency cooperative efforts in addressing environmental and economic issues.

Workforce Development—EPA is working with community colleges and others to foster workforce development in brownfields communities through environmental education, recruitment of students from disadvantaged communities, and quality worker training. EPA has awarded 21 Job Training and Development Demonstration Pilots since fiscal year 1998. The goals of the Job Training Pilots are to facilitate cleanup of brownfields sites contaminated with hazardous substances, and to prepare trainees for employment in the environmental field, including training in alternative or innovative treatment technologies. EPA expects to award up to 10 Job Training Pilot grants in fiscal year 2000.

MILESTONES AND OTHER ACTIVITIES

Brownfields Tax Incentive—On August 5, 1997, President Clinton signed the Taxpayer Relief Act (PL 105-34/HR 2014), which included a new tax incentive to spur the cleanup and redevelopment of brownfields in distressed urban and rural areas. Under the tax incentive, environmental cleanup costs for properties in targeted areas are fully deductible in the year in which they are incurred, rather than having to be capitalized. The tax incentive will help bring thousands of abandoned and under-used industrial sites back into productive use, providing the foundation for neighborhood revitalization, job creation, and the restoration of hope in our nation's cities and distressed rural areas. EPA is providing technical assistance to the States as they implement the new tax incentive.

Brownfields Cleanup Revolving Loan Fund Pilots—EPA's Brownfields Cleanup Revolving Loan Fund (BCRLF) Demonstration Pilot program is designed to enable eligible States, cities, towns, counties, and tribes to capitalize revolving loan funds that will be used to safely clean up brownfields so as to facilitate their sustainable reuse. EPA provides financial assistance to an eligible entity (e.g., a municipality) to establish its own revolving loan fund that will be used to make loans for authorized purposes (i.e., brownfields cleanups). This fund is termed revolving because it uses loan repayments to make new loans for the same authorized purposes. EPA awarded 23 BCRLF Pilots in fiscal year 1997. Each BCRLF Pilot was funded at \$350,000, and 7 pilots were selected to receive up to \$150,000 in supplemental funding. EPA also awarded 45 BCRLF Pilot grants in fiscal year 1999; these Pilots were awarded up to \$500,000 for each eligible entity. In fiscal year 2000, EPA expects to award up to 70 revolving loan fund pilots.

Clean Air/Brownfields Pilots Partnership—EPA's Air, Brownfields, and Policy offices partnered with the U.S. Department of Commerce's Economic Development Administration (EDA) to fund the Clean Air/Brownfields Partnership Pilots. The project is demonstrating the effectiveness of innovative strategies designed to enhance both air quality and economic vitality. The Clean Air Pilots are studying the relationship between clean air, brownfields assessment and cleanup, and economic development issues. The project seeks to quantify the air quality and other environmental and economic benefits of redeveloping brownfield sites within a city, in order to provide credits and other incentives to encourage air quality improvements through brownfields redevelopment.

Targeted Brownfields Assessments—EPA's Targeted Brownfields Assessments (TBA) program is designed to help States, tribes, and municipalities—especially those without EPA Brownfields Assessment Demonstration Pilots—minimize the uncertainties of contamination often associated with brownfields. Under the TBA program, EPA provides funding and/or technical assistance for environmental assessments at brownfields sites throughout the country. Targeted Brownfields Assessments supplement and work with other efforts under EPA's Brownfields Initiative to promote cleanup and redevelopment of brownfields.

CONTACT

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For additional information on EPA's Brownfields Economic Redevelopment Initiative, visit the EPA Brownfields web site at <http://www.epa.gov/brownfields/> or contact the RCRA/Superfund Hotline at (800) 424-9346.